Description of document:	Federal Deposit Insurance Corporation (FDIC) response to query from The House Committee on Financial Services re agency staffing, 2012
Requested date:	21-July-2012
Released date:	05-September-2012
Posted date:	12-November-2012
Source of document:	FDIC, Legal Division FOIA/PA Group 550 17th Street, NW Washington, D.C. 20429 Fax: 703-562-2797 FDIC's Electronic Request Form

FDIC
Federal Deposit Insurance Corporation
550 17th Street, NW, Washington, DC 20429-9990
Legal Division

September 5, 2012

RE: FDIC FOIA Log Number 12-0760

This is in response to your July 21, 2012 Freedom of Information Act ("FOIA") request for information that you described as follows:

> On December 12, 2011, The House Committee on Financial Services sent a letter to then-Acting Chairman Gruenberg posing some questions on agency staffing.
>
> I request a copy of the FDIC response to Chairman Spencer Bachus and Subcommittee Chairman Shelley Moore Capito (and the House Committee on Financial Services).

We assigned your request to the FDIC's Office of Legislative Affairs ("OLA") for a records search. Following a search of appropriate files, OLA located two responsive documents. These documents are being disclosed to you in part. Enclosed are copies of the redacted versions of the documents (4 pages).

The information that has been redacted from the enclosed documents is exempt from disclosure under FOIA Exemption 6, 5 U.S.C. § 552 (b)(6). Exemption 6 permits the withholding of personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Because some of the requested information has been withheld, this letter constitutes formal notification that your request has been denied in part. You have the right to appeal the denial to the FDIC's General Counsel within 30 business days following receipt of this letter. If you decide to appeal, please submit your appeal in writing to the General Counsel. Your appeal should be addressed to the FOIA/Privacy Act Group, Legal Division, FDIC, 550 17th Street, NW, Washington, D.C. 20429. Please refer to the log number and include any additional information that you would like the General Counsel to consider.

This request has been processed at no cost to you.

If you have any questions about this response, you may contact Senior FOIA Specialist Jerry Sussman (telephone: 703.562.2039; email: jsussman@fdic.gov).

Sincerely,

/signed/

Hugo A. Zia, Supervisory Counsel
FOIA/Privacy Act Group

Enclosures: (4 pages).

FEDERAL DEPOSIT INSURANCE CORPORATION, Washington, DC 20429

OFFICE OF THE CHAIRMAN

February 7, 2012

Honorable Spencer Bachus
Chairman
Committee on Financial Services
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Thank you for your letter concerning the staffing of the Consumer Financial Protection Bureau (CFPB). The Federal Deposit Insurance Corporation transferred 41 employees to the CFPB in accordance with the transfer provisions of the Dodd-Frank Act. Of those transferring, 20 were permanent FDIC employees (mostly within the compliance and consumer protection supervision function) and 21 were non-permanent FDIC employees (mostly employees with customer skills in our resolutions and receivership management function that were sought by the CFPB to perform its new call center responsibilities). Consequently, none of the transferred employees exclusively performed work which transferred to the CFPB. The FDIC and the CFPB used a voluntary process to identify employees for transfer, so that individual employees would not be subject to involuntary transfer.

The work transferred to the CFPB consisted primarily of supervisory responsibility for 17 specific consumer protection laws and regulations for institutions with over $10 billion in assets and their affiliates. Supervision with regard to all other laws and regulations remains with the FDIC. As of November 30, 2011, the FDIC supervised 4,615 financial institutions. Of these, the CFPB assumed partial supervisory responsibility for 41 institutions (23 institutions with over $10 billion in assets and 18 other institutions that were affiliated with these larger institutions). The FDIC estimates, based on the actual hours devoted to these 41 institutions in 2010 and 2011, that we utilized approximately 10-15 full time equivalents (FTEs) annually to supervise these institutions (the actual workload has varied in the past from year-to-year). In addition, we estimate that up to five FTEs are currently devoted to call center and complaint processing activities for which the CFPB is assuming responsibility on a phased schedule. In summary, workload that transferred to the CFPB has been fully reflected in the FDIC's updated staffing authorizations.

The FDIC no longer has authorized positions to perform any of the transferred work; thus the FTEs noted above are no longer included in the budget. In the compliance and consumer protection supervision function, the FDIC utilizes an independently tested staffing model that establishes annual workforce requirements based on updated benchmarks and workload projections. The transferred institutions were not included in that workload for 2012. With respect to additional reductions in FTEs, in the complaint processing/call center function, the FDIC has intentionally filled many positions on a non-permanent basis and will gradually eliminate those positions as the volume of calls declines. In the resolutions and receivership function (from which half of the transferred staff were drawn), the FDIC Board approved a 2012 budget on December 7, 2011, that eliminated 565 previously authorized positions, approximately 6.1 percent of its authorized workforce, due to declining workload.

Thank you for your letter. If you or your colleagues have additional comments or questions regarding this matter, please feel free to contact me at (202) 898-3888 or Paul Nash, Deputy for External Affairs, at (202) 898-6962.

Sincerely,

(b)(6) [redacted]

Martin J. Gruenberg
Acting Chairman

FEDERAL DEPOSIT INSURANCE CORPORATION, Washington, DC 20429

OFFICE OF THE CHAIRMAN

February 7, 2012

Honorable Shelley Moore Capito
Chairman
Subcommittee on Financial Institutions and Consumer Protection
Committee on Financial Services
House of Representatives
Washington, D.C. 20515

Dear Madam Chairman:

Thank you for your letter concerning the staffing of the Consumer Financial Protection Bureau (CFPB). The Federal Deposit Insurance Corporation transferred 41 employees to the CFPB in accordance with the transfer provisions of the Dodd-Frank Act. Of those transferring, 20 were permanent FDIC employees (mostly within the compliance and consumer protection supervision function) and 21 were non-permanent FDIC employees (mostly employees with customer skills in our resolutions and receivership management function that were sought by the CFPB to perform its new call center responsibilities). Consequently, none of the transferred employees exclusively performed work which transferred to the CFPB. The FDIC and the CFPB used a voluntary process to identify employees for transfer, so that individual employees would not be subject to involuntary transfer.

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(b)(6)

Martin J. Gruenberg
Acting Chairman